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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

September 29, 1997

Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W. - Room 222 Washington, D.C. 20554

RE: CC Docket No. 94-129

Dear Mr. Caton:

Enclosed please find an original and 11 copies of "WorldCom's Reply Comments" plus a diskette copy of the above-referenced docket.

Sincerely,

Richard S. Whitt

Director, Federal Affairs

No. of Coopes Level 04-11



# Before the FEDERAL COMMUNICATIONS COMMISSION

Washington, D.C. 20554

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In the Matter of )	SEP 2 9 1997
Implementation of the Subscriber )	FEDERAL COMMUNICATIONS COMMISSION
Carrier Selection Changes Provisions of )	OFFICE OF THE SECRETARY
the Telecommunications Act of 1996	
)	CC Docket No. 94-129
Policies and Rules Concerning )	
Unauthorized Changes of Consumers'	
Long Distance Carriers	

### REPLY COMMENTS OF WORLDCOM, INC.

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### REPLY COMMENTS OF WORLDCOM, INC.

WorldCom, Inc. ("WorldCom"), by its attorneys, hereby files its reply comments in response to the initial comments submitted concerning the "Further Notice of Proposed Rulemaking and Memorandum Opinion and Order on Reconsideration," FCC 97-248 ("Further Notice"), released on July 15, 1997 in the above-referenced proceeding.

### I. <u>BACKGROUND AND SUMMARY</u>

In its initial comments, WorldCom indicated that it supports the Commission's prompt adoption of stringent anti-slamming rules applicable to all carriers and designed to fully protect the interests of slammed consumers and carriers, without creating increased incentives for consumer fraud or anticompetitive carrier conduct. These rules should create and maintain a "bright-line" test that establishes, clearly and unambiguously, which carriers are subject to the Commission's anti-slamming rules. In particular, the Commission should reaffirm that, where a switchless reseller meets the definition of a submitting carrier, the underlying facilities-based carrier which serves that reseller is not the submitting carrier.

Dozens of parties filed initial comments in this proceeding. As discussed below,

the Commission should adopt anti-slamming rules which: (1) apply to all carriers providing local, intraLATA toll, and interLATA services; (2) establish more stringent preferred carrier ("PC") verification requirements for the incumbent local exchange carriers ("ILECs") and their affiliates; (3) eliminate use of the "negative option" version of welcome packages for PC change verification; (4) apply verification requirements to in-bound calls from new residential customers to non-ILECs, and to all in-bound calls to ILECs; and (5) adopt a "make whole" standard that does not absolve consumers of obligation to pay for telecommunications services received from carriers. The Commission also should reiterate that underlying, facilities-based carriers are not responsible for any actions, including slamming, by carriers reselling their services, and require the ILECs to provide so-called "pseudo-CICs" or other identifying codes to all switchless resellers.

## II. THE SECTION 258(a) PROHIBITION SHOULD EXTEND BROADLY TO ALL TELECOMMUNICATIONS CARRIERS AND SERVICES

#### A. The Verification Rules Should Apply To All Telecommunications Carriers

Nearly all parties filing comments, including ILECs, IXCs, and state public service commissions, support the notion that verification rules should apply to all telecommunications carriers. Given the plain statutory language and the obvious need to have in place verification procedures applicable to the newly-opened local exchange market, the Commission should adopt its tentative conclusion and establish rules governing local, intraLATA

<sup>&</sup>lt;sup>1</sup> See, e.g., BellSouth Comments at 2-3; SBC Comments at 5-6; GTE Comments at 2; AT&T Comments at 1-3; TRA Comments at 7-10; New York DPS Comments at 4-7; California PUC Comments at 6-7.

toll, and interLATA services.

Many parties also share WorldCom's view that the Commission should adopt more stringent verification procedures applicable to the ILECs.<sup>2</sup> Parties agree that the ILECs' monopoly status gives them an unfair advantage over competing carriers; this includes the ability to act as <u>both</u> the executing carrier and as either the consumer's current carrier or the submitting carrier for changing the local and long distance services of their captive base of consumers. In the words of the Pennsylvania OCA, the ILEC plays the dual role of "both verification judge and commercial advocate."<sup>3</sup>

As a result, parties argue persuasively that the Commission should focus its regulatory attention on the ILECs. For example, CompTel suggests verification standards that include (1) giving PC-change information the full protection of the Commission's customer proprietary network information ("CPNI") rules; (2) establishing a strict nondiscrimination requirement; (3) mandating ILEC submission of quarterly reports showing PC-change performance intervals and error rates, and (4) applying third party verification ("TPV") to the ILECs.<sup>4</sup> Billing Information Concepts also suggests requiring verification of all in-bound calls to ILECs, and banning the ILECs' use of welcome packages.<sup>5</sup> Several parties, noting that the ILECs have the incentive and ability to use so-called "win-back" letters unfairly, urge the

<sup>&</sup>lt;sup>2</sup> WorldCom Comments at 5-6; <u>see, e.g.</u>, MCI Comments at 7-8; LCI Comments at 10; NAAG Comments at 12-13; New York State CPB Comments at 19-21; Pennsylvania OCA Comments at 4-6.

<sup>&</sup>lt;sup>3</sup> Pennsylvania OCA Comments at 5-6.

<sup>&</sup>lt;sup>4</sup> CompTel Comments at 2-7.

<sup>&</sup>lt;sup>5</sup> Billing Information Concepts Comments at 4-6;

Commission to prohibit the ILECs from utilizing such letters prior to processing the customer's switch to another carrier.<sup>6</sup>

Several ILECs argue, nonetheless, that they should not be held to this stringent standard. US West insists, for instance, that the Commission should not interfere in any way with the ILECs' "promotional letters" because current LOA rules only apply to the IXCs, and "win-back" contacts by ILECs are pro-competitive and pro-consumer. USTA also claims that the ILECs' "initially larger market share" has no bearing at all on slamming incentives. This argument, though true, completely ignores the fact that the ILECs' overpowering market dominance clinches their ability to engage in "passive" slamming by simply holding on to customers improperly that should be switched to a CLEC. Moreover, the ILEC also has a superior ability to actively slam (i.e., take back) prior customers without proper authorization. In another portion of its pleading, USTA admits the most important reason to hold ILECs to higher verification standards: "as competition increases, ILECs will no longer be neutral third parties." The Commission must ensure that the ILECs are unable to act on their natural economic impulses to take all available steps to disadvantage their would-be competitors.

<sup>&</sup>lt;sup>6</sup> MCI Comments at 7-8; Texas PUC Comments at 3; New York DPS Comments at 6-7.

<sup>&</sup>lt;sup>7</sup> Ameritech Comments at 15-18; Bell Atlantic Comments at 7-8; BellSouth Comments at 8-9; GTE Comments at 9.

<sup>&</sup>lt;sup>8</sup> US West Comments at 21-26.

<sup>&</sup>lt;sup>9</sup> USTA Comments at 2-4.

<sup>&</sup>lt;sup>10</sup> USTA Comments at 6.

# B. The Commission Should Eliminate The "Welcome Package" Verification Option

In its comments, WorldCom agreed with the Commission that the "welcome package," when used without requiring affirmative written responses from the consumer, can become a vehicle for unlawful marketing practices. 11 Other parties, including all state public service commissions discussing the issue, share this concern, and urge the Commission to eliminate use of the "negative option" welcome package for PC change verification. 12 However, as WorldCom pointed out in its comments, the Commission should not prohibit the use of welcome packages where carriers desire to secure a written LOA from the consumer. NAAG and the New York DPS both indicate that welcome packages should be allowed as long as the carrier requires an affirmative response from the consumer.

### C. Verification Rules Generally Should Apply To In-Bound Calls Only From New Residential Customers

In its comments, WorldCom explained that it agrees with the Commission that inbound calls by consumers raise serious slamming concerns. While WorldCom historically has not favored imposing verification requirements on in-bound calls, the persistent increase in slamming abuses has led WorldCom to agree that verification is required for at least some types

WorldCom Comments at 6-7.

See, e.g., NAAG Comments at 4-5; Texas PUC Comments at 4; New York DPS Comments at 7; Florida PSC Comments at 2-3; Illinois Commerce Commission Comments at 3; Texas OPC Comments at 2; Ameritech Comments at 18-19; SBC Comments at 7; Frontier Comments at 15-16.

<sup>&</sup>lt;sup>13</sup> NAAG Comments at 4-5; New York DPS Comments at 7 n.2.

of in-bound calls.<sup>14</sup> Not surprisingly, most other carriers, especially the ILECs, resist any limitations on carrier changes generated by in-bound calling. These carriers claim that the Commission's concerns are unwarranted because the consumer voluntarily made the call to the carrier on its own, and by doing so apparently shows an intention to switch to that carrier.<sup>15</sup> Some carriers also note the increased costs that would be required to verify in-bound calls.<sup>16</sup>

There is absolutely no basis to assume that even a sizable minority of consumers making in-bound telephone calls to a carrier-supplied number actually intend to change carriers. Indeed, as some parties observe, consumers can be, and have been, induced by all types of deceptive or fraudulent means to call a carrier and subsequently become slammed to that carrier. To balance out the need to both end this type of fraud, and limit the costs associated with verification, WorldCom proposed in its comments that any rule requiring verification of PC solicitation via in-bound calls generally should be limited to the carrier's new residential customers. These are the consumers most likely to become slammed upon making in-bound calls to carriers. In the case of the ILECs, however, verification should be required for all in-bound calls.<sup>17</sup>

#### D. Verification Procedures Should Extend To PIC Freezes

Parties vary widely on their views about PC freezes employed by the ILECs.

<sup>&</sup>lt;sup>14</sup> WorldCom Comments at 7-9.

USTA Comments at 4-5; BellSouth Comments at 11; SBC Comments at 8; US West Comments at 33-38; AT&T Comments at 21-31; Sprint Comments at 30-34.

<sup>&</sup>lt;sup>16</sup> BellSouth Comments at 11; SBC Comments at 8.

WorldCom Comments at 8-9.

While several ILECs argue that carriers need flexibility to establish PC freezes, <sup>18</sup> and that no new verification procedures are necessary because PC freezes are always nondiscriminatory, <sup>19</sup> the state public service commissions and competitive carriers demonstrate otherwise. In particular, these parties explain that the ILECs' unique position as arbiter of carrier changes clashes head-on with its natural economic interest to use the PC freeze process to retain and/or acquire as much business as possible in the local and long distance markets. <sup>20</sup>

Obviously a PC freeze, by itself, is not inherently discriminatory or anticompetitive; the issue is what entity uses a PC freeze, and how it is marketed and employed.<sup>21</sup> The Public Utilities Commission of Ohio ("PUCO") dealt with this very issue when it recently ordered Ameritech to make major changes before it could resume its so-called "Prohibit PIC Change" promotional program.<sup>22</sup> The PUCO found that Ameritech's mailing to 2.6 million local service customers had been designed not only to extend slamming protection to customers "but also to protect its monopoly over local and intraLATA toll service."<sup>23</sup> The PUCO concluded that Ameritech's mailing was misleading because it "did not fully inform

<sup>&</sup>lt;sup>18</sup> USTA Comments at 7-9.

<sup>&</sup>lt;sup>19</sup> BellSouth Comments at 12; US West Comments at 39-40; GTE Comments at 11-14.

NAAG Comments at 11-12; New York DPS Comments at 8-10; California PUC Comments at 9; Pennsylvania OCA Comments at 7; AT&T Comments at 18-21; MCI Comments at 10-18; CompTel Comments at 7-9; TRA Comments at 25-26; Excel Comments at 4-5.

<sup>&</sup>lt;sup>21</sup> Ameritech Comments at 20.

<sup>&</sup>lt;sup>22</sup> "PUCO Preserves Ameritech Slamming Protection for Customers," 97-162, released September 11, 1997, at 1.

<sup>&</sup>lt;sup>23</sup> Id.

customers that the protection applied to their entire local service account."<sup>24</sup> As a result, the PUCO determined, Ameritech's PC freeze program "created unreasonable hurdles for the development of a fair and effective competitive local and intraLATA long distance market in Ohio" by making it "far more difficult for a competitor to sign up any current Ameritech customer for local service."<sup>25</sup> Ameritech was ordered to make six significant changes to its "Prohibit PIC Change" program, including (1) unbundling the program for interLATA, intraLATA toll, and local services; (2) refraining from promoting the program for local and intraLATA toll service until competition actually begins in those markets and the customer affirmatively selects such protection; and (3) refraining from trying to win back a customer during the process of changing a customer's service.<sup>26</sup>

Given the egregious Ameritech example, it is imperative that the Commission, at minimum, require the ILECs to use some type of independent verification procedure whenever they decide to employ PC freezes. Commenters suggest other possible options that echo the changes required by the PUCO. For example, the California PUC urges the Commission to prohibit the ILECs from soliciting their current customers for PC freezes.<sup>27</sup> CompTel recommends prohibiting the use of ILEC PC freezes for local and intraLATA toll services until, in the case of the RBOCs, six months after approval to offer in-region interLATA services.<sup>28</sup>

<sup>&</sup>lt;sup>24</sup> <u>Id</u>.

<sup>&</sup>lt;sup>25</sup> <u>Id</u>.

 $<sup>\</sup>underline{\text{Id}}$ . at 1-2.

<sup>&</sup>lt;sup>27</sup> California PUC Comments at 9-10.

<sup>&</sup>lt;sup>28</sup> CompTel Comments at 7-9.

LCI suggests an outright ban on PC freezes in the local market.<sup>29</sup> Billing Information Concepts supports limiting the duration of a PC freeze and requiring periodic renewals.<sup>30</sup> Whatever method employed, the Commission should do all that it can to make sure that PC freezes only benefit consumers, not the monopoly carriers that provide them.

### III. THE COMMISSION MUST ADOPT CLEAR AND EQUITABLE LIABILITY RULES UNDER SECTION 258(b)

A. Consumers Should Not Be Absolved Of Liability For Paying For Telecommunications Services That Are Received And Used

Application of three "make whole" principles suggested in WorldCom's comments would require that the Commission reject the view that a consumer who has been slammed by a carrier should be absolved of all liability for the toll charges assessed by that carrier. Long distance and local exchange carriers uniformly oppose not requiring consumers to pay anything when they claim to have been slammed. The California PUC and Texas PUC also agree that consumers should not be allowed to refuse payment for telecommunications charges.<sup>31</sup> The overriding concern expressed is that such a policy will create an enormous incentive for consumers, in the absence of a slam, to claim nonetheless to have been slammed as a means of getting free telecommunications service.<sup>32</sup> Commenters also point out that, under this policy,

<sup>&</sup>lt;sup>29</sup> LCI Comments at 1-4.

<sup>&</sup>lt;sup>30</sup> Billing Information Concepts Comments at 7.

<sup>&</sup>lt;sup>31</sup> California PUC Comments at 10-11; Texas PUC Comments at 5-6.

<sup>&</sup>lt;sup>32</sup> Ameritech Comments at 28; BellSouth Comments at 13; SBC Comments at 11; US West Comments at 44-46; GTE Comments at 14-15; AT&T Comments at 8-11; MCI Comments at 19; Sprint Comments at 27-30; CompTel Comments at 11 n.9; TRA Comments at 14-15; ACTA Comments at 32-35; Cable & Wireless Comments at 8-11.

the consumer's authorized carrier may lose the revenues that otherwise it would have been owed.<sup>33</sup>

While most of the state public service commissions filing comments support absolving consumers of any obligation to pay, 34 none of these parties has any good answer for either the consumer fraud concern or the likely harm to authorized carriers. NAAG notes only that "carriers' concern that this procedure would encourage bogus claims by consumers is outweighed by the enhanced deterrent effect," and claims that the fraud concern is "speculative and unfounded." NAAG suggests that IXCs can always prosecute fraudulent actions against consumers, while ignoring the tremendous expenditure of time and resources that would be required to take legal action against a potentially large pool of consumers. In fact, NAAG goes so far as to argue that, if the ILEC cannot determine whether a switch was authorized, the disputed charge should automatically be deleted from the ILEC's bills, leaving the IXC to pursue collections on its own. 6 Collection costs aside, one can only imagine what anticompetitive incentives this would create for the ILEC to drive up its competitors' expenses by routinely deleting all disputed IXC charges from customer bills.

If the Commission nonetheless decides -- incorrectly -- to allow consumers to not

<sup>&</sup>lt;sup>33</sup> TRA Comments at 14-15; Texas Comments at 5-6.

NAAG Comments at 5-7; National Consumers League Comments at 9; New York DPS Comments at 11-12; Texas OPC Comments at 4; Illinois CC Comments at 5-6; Pennsylvania OCA Comments at 7-8; Virginia State CCS Comments 3; Ohio Consumers' Counsel Comments at 4.

<sup>35</sup> NAAG Comments at 7.

<sup>&</sup>lt;sup>36</sup> <u>Id</u>.

pay charges in situations involving disputed PC changes, there should be firm monetary and/or time limitations placed on such a policy in order to reduce carriers' exposure to consumer fraud and lost revenues. A number of other parties suggest such an alternative course, with time periods ranging from the day the consumer receives the slammer's first bill, to three or four months after first notice of the slam.<sup>37</sup> Although it continues to support a 10 day "no payment" period, WorldCom believes that a period lasting no more than 30 days after the consumer receives the first bill should be more than sufficient for the consumer to become aware of a slam and make arrangements to return to its preferred carrier. The Commission also should allow the consumer to not pay a maximum of \$100.00 per carrier for the entire 30 day period. These two limitations together should help curtail at least some of the more egregious instances of consumer fraud that likely will result from a federal "no payment" policy. It is important to keep in mind that, whatever leeway is granted to consumers, the "make whole" requirement should remain in effect as the primary means of compensating the consumer for the slamming incident.

# B. Underlying Facilities-Based Carriers Must Not Be Deemed Responsible For Any Slamming Practices Of Reseller Carriers

In its initial comments, WorldCom urged the Commission to clarify that facilities-based local and long distance carriers have no legal or regulatory liability for the actions of the carriers that resell their services. WorldCom pointed out that the mere use of a carrier's CIC by a switchless reseller does not imply any involvement by that carrier in the reseller's alleged

<sup>&</sup>lt;sup>37</sup> BellSouth Comments at 13; SBC Comments at 11-13; MCI Comments at 20; New York DPS Comments at 11-12; New York State CPB Comments at 9-10.

unauthorized change of a consumer's carrier, nor should it be construed as that carrier's approval of the reseller's actions. The same principle should hold true in both the local and long distance markets.<sup>38</sup>

To the extent parties addressed the issue at all, they appear to have little objection to the clarification requested by WorldCom. MCI explains that an underlying facilities-based carrier should not be held responsible for the slamming actions of a carrier that happens to resell its services.<sup>39</sup> ACTA agrees that the reseller, not the underlying carrier, is the only carrier involved in a retail relationship with the customer.<sup>40</sup> Frontier demonstrates that the wholesale carrier has no responsibility for verifying carrier change orders submitted by a reseller, and that the reseller bears the entire responsibility for any slamming incident it has caused.<sup>41</sup>

Most of the ILECs also agree with WorldCom. Bell Atlantic states that any carrier reselling its services should be responsible for any resulting slamming incidents.<sup>42</sup> BellSouth agrees that the ILEC has no responsibility or liability for its local reseller because the reseller is the submitting carrier and the ILEC "has no service provider/subscriber relationship with the ultimate end user subscriber of the reseller CLEC."<sup>43</sup> USTA comments that the FCC's rules should not allow resellers to damage the reputations of their underlying network

<sup>&</sup>lt;sup>38</sup> WorldCom Comments at 17-21.

<sup>&</sup>lt;sup>39</sup> MCI Comments at 26.

<sup>&</sup>lt;sup>40</sup> ACTA Comments at 38.

<sup>&</sup>lt;sup>41</sup> Frontier Comments at 17-20.

<sup>&</sup>lt;sup>42</sup> Bell Atlantic Comments at 8.

<sup>&</sup>lt;sup>43</sup> BellSouth Comments at 4.

providers.44

Unfortunately, several proposals raise serious questions about the liability of wholesale carriers for reseller slams. Notably, US West proposes that the Commission utilize its Common Carrier Scorecard as the basis of assessing slamming penalties. Us West states that the ratio of slamming complaints to a carrier's operations makes a prima facie case of unlawful conduct through slamming behavior, and that certain ratio levels should trigger certain monetary fines. Ameritech similarly claims that "habitual slammers" should be held to heightened safeguards and penalties, and states that the Common Carrier Scorecard should be used to identify these slammers based on the total number of slamming complaints received by the Commission.

Of course, it should go without saying that an informal complaint is <u>prima facie</u> evidence of nothing but a possible dispute between a carrier and a consumer; it certainly cannot lawfully be used as an automatic indicator of a carrier's violations of regulations or law. More fundamentally, however, as WorldCom described in its initial comments, the Commission's current <u>Common Carrier Scorecard</u> provides no rational basis for penalizing slammers because it would target facilities-based carriers incorrectly and unfairly for the actions of the resellers which utilize their CICs. In the vast majority of FCC slamming complaints received by WorldCom, the complaining consumer has never become a WorldCom customer. Moreover,

<sup>&</sup>lt;sup>44</sup> USTA Comments at 12.

<sup>45</sup> US West Comments at 19-20.

<sup>&</sup>lt;sup>46</sup> Ameritech Comments at 11-12. Likewise, SBC's well-publicized "3 Strikes" plan is based on the percentage of a carrier's PC change orders that are disputed. SBC Comments at 4. It is unclear, however, whether this "carrier" is the submitting carrier (such as a reseller) or the underlying facilities-based carrier.

approximately 90 percent of all FCC slamming complaints directed to WorldCom should have been directed to one of its reseller customers instead. Nonetheless, as Frontier notes, the Common Carrier Scorecard does not distinguish at all between retail and wholesale carriers.<sup>47</sup> Obviously any anti-slamming policy adopted by the Commission should not be based on the indiscriminate Scorecard, and its use of a "single CIC" approach, because it blackens the reputation of facilities-based carriers with the slamming actually perpetrated by resellers.

In its initial comments, WorldCom also urged the Commission to undertake rule changes that would allow underlying facilities-based carriers to separate themselves from the independent actions of the carriers that resell their services. Other parties offer a variety of suggestions on what can be done to alleviate the liability problem caused by resellers using the CICs of their underlying carrier. CompTel suggests that the ILECs be required to check the service provider information in their databases before identifying carriers to the consumer. Frontier argues that the Commission needs tighter enforcement of its informal complaint procedures so that its list of slamming complaints accurately reflects the correct carrier responsible for the complaint. Cable & Wireless goes further and argues that the Commission should require that each reseller is assigned a CIC. The Illinois Commerce Commission, in discussing the fact that PC freezes only reach underlying carriers and not resellers, also supports

<sup>&</sup>lt;sup>47</sup> Frontier Comments at 4-5.

<sup>&</sup>lt;sup>48</sup> CompTel Comments at 4 n.3.

<sup>&</sup>lt;sup>49</sup> Frontier Comments at 6-7.

<sup>&</sup>lt;sup>50</sup> Cable & Wireless Comments at 14.

giving every carrier its own CIC.51

The commenters have identified a basic yet eminently solvable problem in current methods used to identify carriers. WorldCom continues to favor the use of a "pseudo-CIC" as a means of showing the reseller's name in the ILEC records and bills, rather than the facilities-based carrier's name. The Commission should require the ILECs to employ a pseudo-CIC system by July 1, 1998 so that the carriers and the Commission can assign carrier liability for slamming more quickly and accurately.

### IV. THE COMMISSION SHOULD PROMPTLY INITIATE A PROCEEDING TO EXAMINE ALTERNATIVES FOR EXECUTING PC CHANGES

Finally, in its comments WorldCom strongly supported the prompt examination of alternative mechanisms for executing PC changes that will reduce PC-change disputes and eliminate current incentives for ILECs to discriminate unreasonably in their role in the PC-change process. In particular, the Commission should undertake a separate rulemaking proceeding to consider the use of an independent third party to execute PC changes on a competitively-neutral basis.

Other parties agree. MCI explains that the Commission should investigate the possibility of establishing an independent, competitively-neutral third party administrator of PC changes.<sup>52</sup> CompTel, LCI, and TRA agree that the Commission should explore this option.<sup>53</sup> BellSouth and GTE try to argue that such a proposal is unnecessary and might be costly to

<sup>&</sup>lt;sup>51</sup> Illinois CC Comments at 5.

<sup>&</sup>lt;sup>52</sup> MCI Comments at 25-26.

<sup>&</sup>lt;sup>53</sup> CompTel Comments at 7; LCI Comments at 4-8; TRA Comments at 18-25.

implement,<sup>54</sup> but as the sheer bulk of the comments in this proceeding has demonstrated, the ILECs today have enormous incentives and ability to utilize the PC change and PC freeze processes to extend their monopoly power against competing carriers. The time has come to at least explore whether the Commission should remove the temptation for ILECs to abuse these functions by transferring them to a truly independent administrator.

### V. CONCLUSION

The Commission should adopt rules in accordance with the policy recommendations made above and in WorldCom's initial comments in this proceeding.

Respectfully submitted,

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September 29, 1997

<sup>&</sup>lt;sup>54</sup> BellSouth Comments at 16; GTE Comments at 17-18.

#### **CERTIFICATE OF SERVICE**

I, Cecelia Y. Johnson, hereby certify that I have this 29th day of September, 1997, sent a copy of the foregoing "Reply Comments of WorldCom, Inc." by hand delivery or first class postage prepaid mail to the following

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